

U.S. Department of the Interior
Bureau of Land Management
White River Field Office
73544 Hwy 64
Meeker, CO 81641

DOCUMENTATION OF LAND USE PLAN CONFORMANCE AND NEPA ADEQUACY

NUMBER: CO110-2005-067-DNA (Figure Four Gap CO-WRFO-03-187-EA)

CASEFILE/PROJECT NUMBER (optional): COC-66492X (Unit), C-568351 (Lease)

PROJECT NAME: Fig 4 Pad B15 498 (8014D, 8007D, 8003D, 8015D, 8002D)

LEGAL DESCRIPTION: T4S, R98W, NWNE sec.15, 6thP.M.

APPLICANT: ENCANA Oil & Gas

DESCRIPTION OF PROPOSED ACTION: Construct access road, well pad, and install buried pipelines for five gas wells to be located on one well pad. Total surface disturbance of 4.89 acres on BLM would be as follows: access roads/ pipelines -0.54 acres and well pad-4.35 acres. One locked gate would be installed where access road leaves main access. If wells are producers, the area of the well pad not needed for production would be contoured and seeded. If wells are non producers, well pad would be contoured to as near original contours as possible and seeded. Subsequent seeding may be necessary to establish acceptable vegetation cover.

LAND USE PLAN (LUP) CONFORMANCE REVIEW: The proposed action is subject to the following plan:

Name of Plan: White River Record of Decision and Approved Resource Management Plan (ROD/RMP).

Date Approved: July 1, 1997

X The Proposed Action is in conformance with the LUP because it is specifically provided for in the following LUP decision(s):

Decision Language: Page 2-5: "Make federal oil and gas resources available for leasing and development in a manner that provides reasonable protection for other resource values."

_____ The Proposed Action is in conformance with the LUP, even though it is not specifically provided for, because it is clearly consistent with the following LUP decisions (objectives, terms, and conditions):

REVIEW OF EXISTING NEPA DOCUMENTS:

List by name and date all existing NEPA documents that cover the Proposed Action.

Name of Document: White River Resource Area Proposed Resource Management Plan and Final Environmental Impact Statement (PRMP/FEIS).

Date Approved: July 1, 1997

List by name and date any other documentation relevant to the Proposed Action (e.g., biological assessment, biological opinion, watershed assessment, allotment evaluation, and monitoring report).

Name of Document: Figure Four Natural Gas Project Environmental Assessment CO-WRFO-03-187-EA

Date Approved: December 3, 2004

NEPA ADEQUACY CRITERIA:

1. Is the Proposed Action substantially the same action and at the site specifically analyzed in an existing document?

Documentation of answer and explanation: The Proposed Action is substantially the same action and at the site specifically analyzed in an existing document, CO-WRFO-03-187-EA.

2. Was a reasonable range of alternatives to the Proposed Action analyzed in the existing NEPA document(s), and does that range and analysis appropriately consider current environmental concerns, interests, and resource values?

Documentation of answer and explanation: A reasonable range of alternatives to the Proposed Action was analyzed in the existing NEPA document CO-WRFO-03-187-EA, and that range and analysis appropriately considers current environmental concerns, interests, and resource values.

3. Does the information or circumstances upon which the existing NEPA document(s) are based remain valid and germane to the Proposed Action? Is the analysis still valid in light of new studies or resource assessment information?

Documentation of answer and explanation: The information or circumstances, upon which the existing NEPA document, CO-WRFO-03-187-EA, are based remains valid and germane to the Proposed Action. The analysis is still valid in light of new studies or resource assessment information.

4. Does the methodology and analytical approach used in the existing NEPA document(s) continue to be appropriate for the Proposed Action?

Documentation of answer and explanation: The methodology and analytical approach used in the existing NEPA document, CO-WRFO-03-187-EA, continues to be appropriate for the Proposed Action.

5. Are the direct and indirect impacts of the Proposed Action unchanged from those identified in the existing NEPA document?

Documentation of answer and explanation: The direct and indirect impacts of the Proposed Action are unchanged from those identified in the existing NEPA document CO-WRFO-03-187-EA.

6. Are the cumulative impacts that would result from implementation of the Proposed Action unchanged from those analyzed in the existing NEPA document(s)?

Documentation of answer and explanation: The cumulative impacts that would result from implementation of the Proposed Action are unchanged from those analyzed in the existing NEPA document CO-WRFO-03-187-EA.

7. Is the public involvement and interagency review associated with the existing NEPA document(s) adequate for the Proposed Action?

Documentation of answer and explanation: A 30 day comment period involving public input and interagency review was used in the development NEPA document CO-WRFO-03-187-EA.

INTERDISCIPLINARY REVIEW: Identify those team members conducting or participating in the NEPA analysis and preparation of this work sheet (by name and title).

The proposed action was presented to, and reviewed by the White River Field Office interdisciplinary team on February 1, 2005.
Date

A list of resource specialists who participated in this review is available upon request from the White River Field Office.

REMARKS:

Cultural Resources: See CO-WRFO-03-187-EA for a complete analysis of Cultural Resources.

Native American Religious Concerns: None

Threatened and Endangered Species: See CO-WRFO-03-187-EA for a complete analysis of Threatened and Endangered Species and applicable mitigation.

MITIGATION: Attached Conditions of Approval

COMPLIANCE PLAN (optional): N/A

NAME OF PREPARER: Paul Daggett

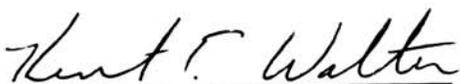
NAME OF ENVIRONMENTAL COORDINATOR: Caroline Hollowed

DATE: 2/01/05

CONCLUSION

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Based on the review documented above, I conclude that this proposal conforms to the land use plan and that the NEPA documentation previously prepared fully covers the Proposed Action and constitutes BLM's compliance with the requirements of NEPA.

SIGNATURE OF RESPONSIBLE OFFICIAL: 
Field Manager

DATE SIGNED: 2/02/05

Note: The signed Conclusion on this worksheet is part of an interim step in the BLM's internal decision process and does not constitute an appeal-able decision.

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**CONDITIONS OF APPROVAL FOR APPLICATION FOR
PERMIT TO DRILL**

Operator: ENCANA Oil & Gas (USA) Inc.
Well No.: Figure Four Unit Pad B15 498
(Wells 8000D, 8003D, 8007D, 8014D AND 8015D)
Location: T4S, R98W, 6th P.M., NWNE Sec. 15 surface location, bottom location on APDs
Lease No.: COC-56835 for all wells

The Bureau of Land Management, White River Resource Area Office, address and telephone contacts are:

Address: 73544 Hwy 64, Meeker, Colorado 81641
Office Phone: 970-878-3800
Office Fax: 970-878-3805

Natural Resource Specialist: Keith Whitaker, office 970-878-3822

Fluid Minerals Supervisor: Vern Rholl, office 970-878-3808

Petroleum Engineering Tech: Bill Kraft, office 970-878-3817, home 970-878-4595,
Cell 970-942-8043

Petroleum Engineering Tech: Bo Brown, office 970-878-3813, home 970-878-5788,
Cell 970-942-7042

All lease and/or unit operations are to be conducted in such a manner to ensure full compliance with the applicable laws, regulations (43 CFR Part 3160), Onshore Orders, Notices to Lessees, and the approved plan of operations. Approval of this application does not relieve you of your responsibility to obtain other required federal, state, or local permits.

This application is valid for a period of one year from the date of approval. Any requests for extensions must be submitted prior to the end of the one year period. If the application terminates, any surface disturbance created under the application must be rehabilitated in accordance with the approved plan within 90 days of termination, unless otherwise approved by the authorized officer. An expired application may be reinstated at the authorized officer's discretion; however, future operations may require a new application to be filed for approval.

You have the right to request a State Director Review (SDR) of the decision to approve this APD with the attached conditions in accordance with 43 CFR 3165.3(b). A request for a SDR must occur prior to filing an appeal with the Interior Board of Land Appeals (IBLA). Your request for a SDR and all supporting documentation must be filed with the State Director (CO-922), 2850 Youngfield St., Lakewood, Colorado 80215, within 20 business days of receipt of this letter.

I. CONDITIONS OF APPROVAL SPECIFIC TO FIGURE FOUR UNIT PAD B15 498 WELLS 8000D, 8003D, 8007D, 8014D AND 8015D)

1. The operator shall contact the petroleum engineering technician 24 hours prior to the following operations:

- construction of access road and well site
- spudding (including dry hole digger or rat hole rig)
- running and cementing of all casing strings
- pressure testing of BOPE or any casing string
- completion operations
- surface reclamation work

2. The operator is responsible for informing all persons who are associated with the project operations that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during any project or construction activities, the operator is to immediately stop activities in the immediate area of the find that might further disturb such materials, and immediately contact the Authorized Officer (AO). Within five working days, the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places,
- the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary),
- a timeframe for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation cost. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

3. Pursuant to 43 CFR 10.4(g) the holder of this authorization must notify the AO, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, pursuant to 43 CFR 10.4 (c) and (d), the holder must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the AO.

4. The operator shall eliminate any noxious or invasive plants before any seed production has occurred. Eradication shall make use of materials and methods (Pesticide Use Proposal) approved in advance by the AO. Application of herbicides must be under field supervision of an EPA-certified pesticide applicator.

Conditions of Approval

5. EnCana and their contractors will power-wash all construction equipment and vehicles prior to the start of construction. Any construction or operational vehicles traveling between the project location and outside areas shall be power-washed on a weekly basis. This shall reduce the probability that invasive weed seeds shall be introduced into the Project Area from infested locations.
6. A current raptor survey must be obtained prior to surface disturbing activities if construction is going to occur from February 1 to August 16. It is the responsibility of EnCana to contact the BLM and/or a third-party contractor to have this survey completed prior to surface-disturbing activities.
7. Dust suppression to reduce emission of fugitive dust from access roads in the Project Area will be used.
8. The applicant is required to collect and properly dispose of any solid wastes generated by this project.
9. Oil and gas operations are considered to be a light industrial activity by the Colorado Department of Public Health and Environment. As an industrial discharger, the applicant is required to obtain permits authorizing the discharge of stormwater from these sites. The permit requires development of a stormwater management plan showing how BMPs would be used to control runoff and sediment transport. Submit this plan to BLM prior to surface disturbing activities.
10. When preparing the site, all suitable topsoil shall be stripped from the surface of the location and stockpiled for reclamation use once the drilling is completed. (RMP 4)
11. All sediment control structures or disposal pits will be designed to contain a 100-year, 6-hour storm event. Storage volumes within these structures will have a design life of 25 years. (RMP 6)
12. All activity shall cease when soils or road surfaces become saturated to a depth of three inches unless otherwise approved by the AO. (RMP 8)
13. Cut and fill slopes on well pads and access roads on steep side slopes shall have adequate erosion control materials (blankets, mats, bonded fiber matting, hydro-matting, etc.) installed with recommended seed mix, and color added to blend with surrounding vegetation to reduce contrast until vegetation is established. Avoid establishment of vegetation where it inhibits drainage from the road surface or where it restricts safety or maintenance.
14. The operator shall eliminate undesirable berms that retard normal surface runoff. (RMP 35)
15. The applicant will segregate topsoil material and replace topsoil in its respective original position (last out, first in) to assist in the reestablishment of soil health and productivity.

Conditions of Approval

16. Water bars or dikes shall be constructed on all of the rights-of-way, and across the full width of the disturbed area, according to the following standard or as directed by the authorized officer. (RMP 96)

<u>Grade</u>	<u>Spacing</u>
2 %	Every 200 feet
2-4 %	Every 100 feet
4-5 %	Every 75 feet
5+ %	Every 50 feet

17. Slopes within the disturbed area shall be stabilized by non-vegetative practices designed to hold the soil in place and minimize erosion. Vegetation cover shall be reestablished to increase infiltration and provide additional protection from erosion. (RMP 97)

18. When erosion is anticipated, sediment barriers shall be constructed to slow runoff, allow deposition of sediment, and prevent it from leaving the site. In addition, straining or filtration mechanisms may also contribute to sediment removal from runoff. (RMP 98)

19. Areas of the well pad not used during any production phase shall be contoured to about 5 to 1 slopes, have topsoil redistributed and reseeded with the seed mix described below prior to the first full growing season following completion of drilling

20. All disturbed areas for the pipeline and road with the exception of the road travel surface will be revegetated within the first growing season or prior to the first full growing season following disturbance with following native seed mix:

Native Seed Mix #3	
Species	Pure Live Seed*
Western wheatgrass (Rosanna)	2 lbs PLS/acre
Bluebunch wheatgrass (Secar)	2 lbs PLS/acre
Thickspike wheatgrass (Critana)	2 lbs PLS/acre
Indian ricegrass (Nezpar)	1 lbs PLS/acre
Fourwing saltbush (Wytana)	1 lbs PLS/acre
Utah sweetvetch	1 lbs PLS/acre
* Seeding rate for drill seeding. Double the rate for broadcast/harrow seeding	

21. Successful revegetation should be achieved within three years. The operator will be required to monitor the project site(s) for a minimum of three years after construction to detect the presence of noxious/invasive species. Any such species that occur will be eradicated using materials and methods approved in advance by the AO.

22. A paleontology monitor shall be present at any time that it becomes necessary to excavate into the underlying bedrock formation in order to bury the pipeline, level the well pad or excavate the reserve/blooiie pit.

Conditions of Approval

23. Should fossil resources be discovered at any time during construction, all construction activity in the vicinity of the discovery shall cease until the BLM and an approved paleontologist have time to evaluate the discovery and recover the remains. Work shall not resume in the area of the find without written approval of the AO.
24. The use of either produced water or reuse of drilling fluids for subsequent well drilling shall not occur before surface casing has been cemented in place and freshwater zones isolated and protected.
25. The “Conditions of Approval” for each well will be made a part of the ROW grant stipulations plus any standard stipulations from the BLM ROW manual that apply.
26. All permanent (onsite for six [6] months or longer) structures, facilities and equipment placed onsite shall be low profile and painted Munsell Soil Color Chart Juniper Green or equivalent within six months of installation.
27. Disturbed areas shall be restored as nearly as possible to their original contour.
28. In order to reduce the possibility of wildlife’s exposure to waste water and drilling fluids, all reserve pits shall be netted to prevent birds from entering contaminated waters. According to the United States Fish and Wildlife Service (USFWS), a maximum mesh size of 1 1/2 inches will allow for snow-loading and will exclude most birds. Netting should be suspended a minimum of 4 to 5 feet from the surface of the pond to prevent the net from sagging into the pond during heavy snow-loads. Side nets shall also be used to prevent ground entry of waterfowl, upland game birds, and other wildlife species
29. To prevent vehicle collisions with sage-grouse, all roads in the Project Area shall have a 30 miles per hour speed limit
30. To promote safety for hunters and project workers alike during hunting season, warning signs will be posted along access roads serving active construction and drilling sites to warn hunters of the presence of workers and associated vehicle traffic in the area.
31. All EnCana and contract employees shall be prohibited from carrying firearms or bringing dogs to the Project Area.
32. In order to reduce incidents of illegal kill and harassment of wildlife, all EnCana personnel and contract employees shall be instructed on BLM regulations and state wildlife laws. Personnel shall also be instructed at a pre-construction meeting about the nature of the wildlife species that occur on the work site, potential impacts to these species, and measures that shall be taken to avoid or minimize impacts.
33. EnCana shall utilize remote telemetry equipment to reduce the frequency of well site visits which will partially mitigate the potential for wildlife/vehicle collisions and effects of animal displacement due to increased traffic and human presence. After the bulk of drilling activity is complete, the use of remote telemetry shall reduce traffic volumes by 75% (4 roundtrips/day - 3

light trucks and 1 heavy truck), compared with approximately 16 trips/day in the Figure Four well field if telemetry were not used.

34. Surface gas gathering pipelines shall not be painted, wrapped or coated, and shall be allowed to weather and blend in with the natural environment.

35. Night lighting of facilities shall be kept to the minimum required and shall use shielded downcast fixtures to reduce off-site glare. Flaring of completed wells shall be carried out as quickly as possible and shall be screened from distant view using berms, frac tanks or other equipment, and the natural topography to the extent practical.

36. To minimize the potential for wildfires and the demand for local fire protection services during construction and operation, all equipment, including welding trucks, shall be equipped with fire extinguishers and other fire suppression equipment as recommended by the BLM. Project-related employees and contractors shall be informed on the dangers of wild fires. In addition, EnCana will be encouraged to maintain defensible space around its well pads and other production facilities to minimize the potential for wildfires to damage or ignite fires on its facilities. While grasses and forbs shall be re-established in temporarily disturbed areas to minimize erosion, the re-growth of larger shrubs and trees shall be controlled adjacent to project facilities.

37. The access road shall be gated to limit the unauthorized public use.

II. NOTICES

A. DRILLING PLAN

1. All operations, unless otherwise specifically approved in the APD, must be conducted in accordance with Onshore Oil and Gas Order No.1; Approval of Operations on Onshore Federal and Indian Oil and Gas Leases; and Oil and Gas Order No. 2; Drilling Operations.
2. One copy of all charted BOPE tests, logs, core descriptions, core analyses, well-test data, geologic summaries, sample descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed with the completion report, Form 3160-4. This completion report shall be filed within 30 days of completion of operations and submitted prior to or along with the first production notice.
3. The United States of America considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the Field Office Manager immediately including approximate quantities and a sample in a sealed quart container. The United States shall have the first opportunity to file state water rights for the intercepted groundwater. The undersigned may file for water rights only with a written waiver from the Field Office Manager.
4. During the surface cementing operation, cement is to be circulated to the surface and must remain at the surface. If this does not occur, a cement-evaluation tool (CET log) will be required to determine the top of cement. A conventional cement bond log (CBL) or temperature log will not be accepted. This COA is included because of the lost circulation zones that are being encountered during the drilling of the surface holes on land under the jurisdiction of the White River Field Office.
5. If a BLM petroleum engineering technician does not witness the surface cementing operation, a cement evaluation tool (CET log) will be required to determine the top of cement. A conventional cement bond log (CBL) or temperature log will not be accepted. This COA is included because of the lost circulation zones that are being encountered during the drilling of the surface holes on land under the jurisdiction of the White River Field Office.